



# Department of Justice

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FOR IMMEDIATE RELEASE  
FRIDAY, MARCH 11, 1994

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**ALABAMA DAIRY COMPANY CHARGED WITH  
BID RIGGING ON SCHOOL MILK CONTRACTS**

WASHINGTON, D.C. -- An Alabama dairy company was charged today with participating in a conspiracy to rig bids on contracts to supply milk to public school boards in Alabama, according to the Department of Justice's Antitrust Division.

This is the eleventh case filed in Alabama as a result of the Antitrust Division's dairy investigations.

Baker & Sons Dairy Inc. of Birmingham, Alabama, was charged with participating in a conspiracy to rig bids on contracts to supply milk to public school boards in Alabama's Jefferson and Shelby counties, beginning in early 1988 and continuing through June 1989. The one-count felony charge was filed in U.S. District Court in Birmingham, Alabama.

Robert E. Litan, Acting Assistant Attorney General in charge of the Antitrust Division, said the charge arose in connection with a grand jury investigation in Birmingham into collusive practices by dairy products suppliers in Alabama. The investigation, being conducted by the Division's Atlanta Field Office, is continuing.

(MORE)

To date, 57 corporations and 53 individuals have been convicted and a total of approximately \$54.7 million in fines have been imposed in cases involving the supply of dairy products to public school districts.

Twenty-six individuals have been sentenced to serve a total of 4,684 days in jail--an average of approximately six months imprisonment in cases involving the supply of dairy products to public school districts. Civil damages total approximately \$8 million. Twenty-seven grand juries in 19 states continue to investigate the milk industry.

The maximum penalty which may be imposed against a corporation convicted of a violation of the Sherman Act occurring prior to November 16, 1990, is a fine not to exceed the greatest of \$1 million, twice the gross pecuniary gain the corporation derived from the crime, or twice the gross pecuniary loss caused to the victims of the crime.

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